

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2381 - SB 2513

February 28, 2020

SUMMARY OF BILL: Authorizes Davidson and Shelby County to regulate certain vehicles.

ESTIMATED FISCAL IMPACT:

Increase Local Revenue –

Exceeds \$100,000/FY20-21 and Subsequent Years/Permissive

Increase Local Expenditures –

Exceeds \$300,000/FY20-21 and Subsequent Years/Permissive

Assumptions:

- Pursuant to Tenn. Code Ann. § 7-51-1007, Davidson and Shelby Counties are authorized to regulate passenger transportation services including those provided by limousines, hired sedans, shuttles, and taxicabs.
- The proposed language:
 - Expands the authorized regulation to include any motor vehicle having some entertainment or social purpose, including a wagon pulled by a tractor, designed or constructed to transport any number of passengers for hire; and
 - Requires such vehicles to comply with certain safety rules and regulations and obtain liability insurance.
- This analysis assumes:
 - Any authorized locality will require additional resources to oversee such regulation; and
 - Such locality will partially offset the costs of such resources by charging licensing fees and assessing fines for noncompliance.
- The extent of any permissive increase in local expenditures utilized for development of additional resources is unknown, but is reasonably estimated to exceed \$300,000 in Davidson and Shelby Counties annually for hiring of additional staff and supplies. Expenditures are estimated to occur in FY20-21 and subsequent years.
- The extent of any permissive increase in local revenue from the assessment of licensing fees for such vehicles will be dependent upon the rate set and the number of vehicles licensed or fined for noncompliance in any given year. However, it is reasonably estimated to exceed \$100,000 in Davidson and Shelby Counties annually. Revenue from licensing such vehicles is estimated to occur in FY20-21 and subsequent years.

- The extent of regulation which will be established by Davidson and Shelby County is unknown. Other, secondary fiscal impacts are possible; however the extent of such secondary impacts cannot reasonably be determined prior to the establishment of such regulation.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jrh